

JONATHAN E. FIELDING, M.D., M.P.H. Acting Director and Health Officer

JOHN SCHUNHOFF, Ph.D. Acting Chief Deputy

313 North Figueroa Street, Room 909 Los Angeles, California 90012 TEL (213) 240-8117 • FAX (213) 975-1273

www.lapublichealth.org

August 3, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration

Dear Supervisors:

500 West Temple Street

Los Angeles, California 90012

APPROVAL OF AN ASSIGNMENT AND DELEGATION AGREEMENT (AMENDMENT NO. 9) BETWEEN CALIFORNIA COURIER SERVICES, INC. AND ACCURATE COURIER SERVICES, INC. AND AMENDMENT NO. 10 TO LABORATORY SPECIMEN TRANSPORTATION SERVICES AGREEMENT (COUNTY CONTRACT NO. 71250)

(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Approve and instruct the Mayor to sign an Assignment and Delegation Agreement (Amendment No. 9), substantially similar to Exhibit I, to change the name of ownership under County's laboratory specimen transportation services agreement (County Contract No. 71250) with California Courier Services, Inc. to Accurate Courier Services, Inc., effective January 1, 2006, at no net County cost.
- 2. Approve and instruct the Mayor to sign Amendment No. 10 to the laboratory specimen transportation services agreement (County Contract No. 71250) with Accurate Courier Services, Inc., substantially similar to Exhibit II, to extend the term effective September 1, 2006 through June 30, 2007, thereafter automatically renewed on a month-to-month basis until either: 1) the Department of Public Health (DPH or Department) completes a competitive selection process, or 2) until midnight December 31, 2007, whichever of these two events or dates sooner occurs, and to provide for the addition or deletion of pickup sites during the term of the agreement and an increase in the per stop pickup rate from \$10.25 to \$11.25 (including related pickup rates [e.g., stat and



BOARD OF SUPERVISORS

Gloria Molina
First District
Yvonne B. Burke
Second District
Zev Yarosłavsky
Third District
Don Knabe
Fourth District
Michael D. Antonovich

Fifth District

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weekend/holiday rates] increases), or an approximate 12.5% overall rate increase, due to unforeseen fuel cost increases, at an estimated cost for DPH of \$361,497, less revenue from community-based agencies of \$186,667, or an actual DPH cost of \$174,830, and Department of Health Services (DHS) cost of \$379,427, for an overall net County cost of \$554,257 for the period of September 1, 2006 through December 31, 2007.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

Approval of the recommended action will allow the Department to assign and delegate the rights and duties of California Courier Services, Inc. under laboratory specimen transportation services Agreement (County Contract No. 71250) to Accurate Courier Services, Inc. (Accurate), and to further amend such agreement to extend the term effective September 1, 2006 through June 30, 2007, thereafter automatically renewed on a month-to-month basis until either: 1) the Department completes a competitive selection process, or 2) until midnight December 31, 2007, whichever of these two events or dates sooner occurs, and to provide for the addition of additional pickup sites and an increase in the per stop pickup rate from \$10.25 to \$11.25 (including related pickup rates [e.g., stat and weekend/holiday rates]), or an approximate 12.5% overall rate increase, due to unforeseen fuel cost increases.

The continued provision of laboratory specimen transportation services is necessary to ensure medical laboratory specimens are collected from County Health Centers, public health clinics, community-based organizations, and other similar facilities for delivery to appropriate County laboratory facilities for testing.

FISCAL IMPACT/FINANCING:

Total estimated cost for services consist of DPH cost of \$361,497, less revenue from community-based agencies of \$186,667, or actual DPH cost of \$174,830, and DHS cost of \$379,427, for an overall net County cost of \$554,257 for the period of September 1, 2006 through December 31, 2007.

Funds for the extension are included in the Fiscal Year 2006-07 Adopted Budget and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On February 17, 1998, the Board approved the awarding of a Proposition A (Prop A) laboratory specimen transportation services agreement (County Contract No. 71250) to First Class Services dba Consolidated Routing, effective February 17, 1998 thorough December 31, 2000, at an estimated annual cost of \$305,032. On July 1, 2003, the Board approved an assignment and delegation assigning the rights and duties from First Class Services dba Consolidated Routing to

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California Courier Services, Inc., and on subsequent occasions, the Board has approved additional amendments to extend the agreement term and to add additional funding through December 31, 2006.

On June 19, 2001, the Board approved the laboratory specimen transportation services agreement with NOW (County Contract No. H212732) for the provision of laboratory specimen transportation services at DHS public health facilities and community clinics for the period of July 1, 2001 through June 30, 2002, at a total estimated cost of \$140,000, entirely offset by a Viral Load Testing State Grant. On subsequent occasions, the Board has approved additional amendments to extend the agreement term and to increase expenditures entirely offset by revenue collected from community-based organizations through December 31, 2006.

On June 20, 2006, the Board approved the Department's plan to terminate the laboratory specimen transportation agreement with NOW, effective August 31, 2006. Approval of the requested Board action will allow Accurate to take over and add the pickup sites previously served by NOW, and add or delete pickup sites as they may occur during the agreement term.

Accurate has not had a rate increase since the Board's last approval in June 29, 2004, and indicates an increase is necessary in order to continue services at a time of rising fuel costs.

Effective July, 6, 2006, a separate department of Public Health was established. Historically, laboratory specimen transportation services contracts have traditionally been managed by the public health laboratory. Accordingly, DPH will continue to act as the lead agency over the laboratory specimen transportation services contract(s).

Attachment A provides additional information.

County Counsel has approved the Assignment and Delegation Agreement (Amendment No. 9) and Amendment No. 10 as to form.

CONTRACTING PROCESS:

The Department is developing a Prop A Request For Proposals (RFP) for Laboratory Specimen Transportation Services competitive selection process, expected to be released early next year.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of the recommended actions will ensure the continued provision of laboratory specimen transportation services.

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When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

Jonathan E. Fielding, M.D., M.P.H.
Acting Director and Health Officer

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Attachment

Chief Administrative Officer County Counsel Executive Officer, Board of Supervisors Auditor-Controller

SUMMARY OF AGREEMENT

1. TYPE OF SERVICE:

Laboratory specimen transportation services.

2. AGENCY ADDRESS AND CONTACT PERSON:

Accurate Courier Services, Inc.

11022 Santa Monica Boulevard, Suite 100

Los Angeles, California 90025

Attention:

Mr. Joseph Yemini

President

Telephone:

(310) 481-7128 ext 112

FAX:

(310) 481-0695

Electronic Mail (e-mail) Address: joseph@accuratecourier.net

3. TERM:

Assignment and Delegation Agreement (Amendment No. 9): Effective January 1, 2006.

Amendment No. 10: Effective September 1, 2006 through June 30, 2007, thereafter automatically renewed on a month-to-month basis until either: 1) the Department completes a competitive selection process, or 2) until midnight December 31, 2007, whichever of these two events or dates sooner occurs.

4. FINANCIAL INFORMATION:

Total cost for services consist of DPH cost of \$361,497, less revenue from community-based agencies of \$186,667, or actual DPH cost of \$174,830, and DHS cost of \$379,427, for an overall net County cost of \$554,257 for the period of September 1, 2006 through December 31, 2007.

Funds for the extension are included in the Fiscal Year 2006-07 Adopted Budget and will be requested in future fiscal years.

5. DESIGNATED ACCOUNTABLE FOR MONITORING AND EVALUATION:

Ferdows Rashidian, Public Health Manager Supervisor II

6. APPROVALS:

Department of Health Services, Laboratory: W. Stephen Mathews, M.D.

Department of Public Health:

John F. Schunhoff, Ph.D., Acting Deputy Director

Contracts & Grants Division:

Cara O'Neill, Chief

County Counsel (approval as to form):

Robert E. Ragland, Senior Deputy County Counsel

Contract No. <u>H71250-9</u>

ASSIGNMENT AND DELEGATION AGREEMENT

AMENDMENT NO. 9

	THIS ASSIGNMENT	AND DELEGAT	CION AGREEMENT	is made and entered
into	this	day of		, 2006,
	by and between		COUNTY OF LOS A	ANGELES (hereafter
	and			RIER SERVICES dba OUTING (hereafter
	and		ACCURATE COURING (hereafter "Acc	ER SERVICES, INC.,

WHEREAS, CCS provides services to County pursuant to a laboratory specimen transportation services agreement with County, which was adopted by County's Board of Supervisors on February 17, 1998, further identified as County Contract No. H71250, and any amendments thereto, (all hereafter referred to as "Contract"); and

WHEREAS, it is the desire of CCS to assign and delegate all of its rights, duties, obligations, responsibilities and interest, under said Contract to Accurate; and Accurate desires to assume such rights, duties, obligations, responsibilities and interest, under said Contract; and

WHEREAS, CCS and Accurate have requested County to consent to the assignment and delegation of all such rights, duties, obligations, responsibilities and interest, under said Contract; and

WHEREAS, under the terms of Contract, such assignment and delegation of Contract, must be in writing and must be approved by County.

NOW, THEREFORE, the parties hereto agree as follows:

- 1. All rights, duties, obligations, responsibilities, and interests, under said Contract, to provide laboratory specimen transportation services between CCS and County, shall be assigned and delegated to Accurate.
- 2. Accurate agrees to assume and receive from CCS all rights, duties, obligations, responsibilities, and interests, in said Contract, to provide laboratory specimen transportation services, which the parties agree shall be effective January 1, 2006.
- 3. Accurate agrees to abide by all terms and conditions of said Contract for laboratory specimen transportation services between CCS and County.
- 4. CCS and Accurate agree that County shall not pay any additional monies for the provision of laboratory specimen transportation services by either CCS or Accurate as a result,

or in the absence of, this Assignment and Delegation Agreement.

To that extent, CCS and Accurate have separately prorated between themselves, to the extent necessary, the monthly payment due and paid to each party under the Contract prior to January 1, 2006.

- 5. CCS and Accurate shall indemnify, defend, and save harmless County, its officers, employees, and agents, from and against any and all liability expense, including defense costs and legal fees, and claims for damages of any nature whatsoever in connection with any dispute between CCS and Accurate regarding payment of monies for laboratory specimen transportation services to either CCS or Accurate pursuant to this Assignment and Delegation Agreement.
- 6. County consents to the assignment and delegation of the rights, duties, obligations, responsibilities and interests, of CCS as described in said Contract to Accurate pursuant to this Assignment and Delegation Agreement.
- 7. This Assignment and Delegation Agreement Amendment shall constitute the complete understanding between County, CCS and Accurate as it relates to the subject matter of this Assignment and Delegation Agreement.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Assignment and Delegation

Agreement to be subscribed by its Mayor, and CCS and Accurate each have caused this Assignment and Delegation to be subscribed in its

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behalf by its duly authorized officers, the day, month, and year first above written.

	COUNTY OF LOS ANGELES
	By Mayor, Board of Supervisors
ATTEST: SACHI A. HAMAI, Executive Officer of the Board of Supervisors of the County of Los Angeles	ACCURATE COURIER SERVICES, INC. Contractor - Designee By Signature
By Deputy	Joseph Yemini Printed Name
	Title President (AFFIX CORPORATE SEAL HERE)
APPROVED AS TO FORM BY THE OFFICE OF THE COUNTY COU RAYMOND G. FORTNER, JR. County Counsel By	NSEL CALIFORNIA By COUKIER SERVICES, INC.
\ \ \ \ \ Deputy APPROVED AS TO CONTRACT ADMINISTRATION:	Contractor - Assignor By July La Zul Signature
Department of Health Services	Quan Tran Printed Name
Cara O'Neill, Chief, Contracts and Grants Division	Title <u>President</u> (AFFIX CORPORATE SEAL HERE)

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EXHIBIT II

Contract No. <u>71250-10</u>

LABORATORY SPECIMEN TRANSPORTATION SERVICES AGREEMENT AMENDMENT NO. 10

of _______, 2006,

by and between COUNTY OF LOS ANGELES (hereafter "County"),

and ACCURATE COURIER SERVICES, INC. (hereafter "Contractor")

WHEREAS, reference is made to that certain document entitled "LABORATORY SPECIMEN TRANSPORTATION SERVICES AGREEMENT", dated February 17, 1998, and further identified as County Agreement No. 71250, and any amendments thereto, (all hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend the term, revise the fee schedule, add additional pickup sites and make other hereafter designated changes; and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties hereto agree as follows:

- 1. This Amendment shall be effective September 1, 2006.
- 2. Paragraph 1, Term and Termination, subparagraph "A", of the Agreement body, shall be revised to read as follows:

"1. TERM AND TERMINATION:

A. This Agreement shall be effective February 17, 1998, and shall continue in full force an effect through June 30, 2007, thereafter this Agreement shall be automatically renewed on a month-to-month basis until either: 1) the Department of Health Services (DHS or Department) completes a competitive selection process, or 2) until midnight December 31, 2007, whichever of these two events or dates sooner occurs.

In any event, this Agreement may be canceled or terminated at any time by either party, with or without cause, beginning September 1, 2006, by giving at least thirty (30) calendar days prior written notice of such cancellation or termination to the other."

3. Paragraph 14, Assignment and Delegation, of the contract body, shall be amended to read as follows:

"14. ASSIGNMENT AND DELEGATION:

A. Contractor shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without prior written

consent of County. Any assignment and delegation which does not have such prior County consent shall be null and void. For purposes of this Subparagraph, County consent shall require a written amendment to this Agreement which is formally approved and executed by the parties. Any billings to County by any assignee or delegatee on any claim under this Agreement, absent of such consent, shall not be paid by County. Any payments by County to any assignee or delegatee on any claim under this Agreement, in consequence of such County consent, shall reduce dollar for dollar any claims which Contractor may have against County and be subject to recoupment, set-off, or other reduction for any claims which County may have against Contractor, whether under this Agreement or otherwise.

B. Shareholders or partners, or both, of
Contractor (or other equity holders of Contractor), may
assign, divest, exchange, sell, or otherwise transfer
any interest they may have therein. However, in the
event any such assignment, exchange, divestment, sale,
or other transfer, is effected in such away as to give
majority control of Contractor to any person(s),
corporation, partnership, or legal entity other than

the majority controlling interest therein at the time of execution of this Agreement, then prior written consent of County's Board of Supervisors shall be required. Any payments by County to Contractor on any claim under this Agreement shall not waive or constitute such County consent. Consent to any such assignment, divestment, exchange, sale, or other transfer shall be refused only if County, in its sole judgement, determines that the assignee(s), buyer(s), transferee(s), or other controlling interest party, is (are) lacking the capability, experience, or financial ability to perform all services and other work required under this Agreement. This in no way limits any County right found elsewhere in this Agreement, including, but not limited to, any right to terminate this Agreement.

C. If any assumption, assignment, delegation, or takeover of any of Contractor's duties, responsibilities, obligations, or performance of same by any entity other than Contractor, whether through assignment, buyout, delegation, merger, subcontract, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of this Agreement

which may result in the termination of this Agreement.

In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor."

4. Paragraph 56, Contractor Responsibility and Debarment, of the Additional Provisions, shall be amended to read as follows:

"56. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

- A. A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.
- B. Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor under this Agreement, or other contracts, which indicates that Contractor is not responsible, County may or otherwise in addition to other remedies provided under this Agreement, debar Contractor from bidding or proposing on, or being awarded, and/or

performing work on County contracts for a specified period of time, which will generally not exceed five (5) years, but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate this Agreement and any or all existing contracts Contractor may have with County.

- C. County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated any term of this Agreement or other contract with County, or a nonprofit corporation created by County, (2) committed any act or omission which negatively reflects on Contractor's quality, fitness, or capacity to perform a contract with County, any public entity, or non-profit corporation created by County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.
 - D. If there is evidence that Contractor may be subject to debarment, Director will notify Contractor in writing of the evidence which is the basis for the

proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before County's Contractor Hearing Board.

- E. County's Contractor Hearing Board will conduct a hearing where evidence on proposed debarment is presented. Contractor or Contractor's representative, or both, shall be given an opportunity to submit evidence at that hearing. After the hearing, County's Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether Contractor should be debarred, and if so, the appropriate length of time of the debarment. Contractor and Director shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to County's Board of Supervisors.
- F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of County's Contractor Hearing Board shall be presented to the Board of Supervisors. County's Board of Supervisors shall have the right at its sole discretion

to modify, deny, or adopt the proposed decision and recommendation of County's Contractor Hearing Board.

- G. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following:

 (1) elimination of the grounds for which the debarment was imposed, (2) a bona fide change in ownership or management, (3) material evidence discovered after the debarment was imposed, or (4) any other reason that is in the best interest of County.
- H. County's Contractor hearing Board will consider a request for review of a debarment determination only where (1) Contractor has been debarred for a period longer than five (5) years, (2) the debarment has been in effect for at least five (5) years, and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or

termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, County's Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, County's Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by County's Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

County's Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. County's Contractor Hearing Board shall present its proposed decision and recommendation to County's Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the County's Contractor Hearing Board.

- I. These terms shall also apply to subcontractors/ consultants of County contractors."
- 5. Exhibit C-1, payment, shall be replaced in its entirety

by Exhibit C-2, Fee Schedule, attached hereto and incorporated herein by reference.

- 6. Contractor agrees County may add or delete facility stops as listed under Exhibit D, Circuit 1 through 9, including make other related changes, as needed by Director. Director shall notify Contractor in writing ten (10) calendar days before the addition or deletion of any facility stop and/or making any other related change.
- 7. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

Mayor and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

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ATTEST: '	ı	Mayor, Board of Supervisors
SACHI A. HAMAI, Executive Officer of the Board of Supervisors of the County of Los Angeles	1	ACCURATE COURIER SERVICES, INC.
By Deputy	one and	Joseph Yemini, President (AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM BY THE OFFICE OF THE COUNTY COUNSEL RAYMOND G. FORTNER, JR.

County Counsel

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APPROVED AS TO CONTRACT ADMINISTRATION:

Department of Health Services

Cara O'Neill, Chief
Contracts and Grants
Division

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EXHIBIT C-2

ACCURATE COURIER SERVICES, INC. LABORATORY SPECIMEN TRANSPORTATION SERVICES AGREEMENT

FEE SCHEDULE

Subject to the payment provisions of the body of the Agreement, County shall compensate Contractor hereunder as follows:

Scheduled Stops:

• \$11.25 per stop.

Regular Stats:

- 6:00 a.m. 6:00 p.m. Mon-Fri/\$1.55 per mile/\$17 minimum.
- 6:00 p.m. 6:00 a.m. Mon-Fri/\$2.00 per mile/\$40 minimum.

<u>Super Stats</u>:

- 6:00 a.m. 6:00 p.m. Mon-Fri/\$2.25 per mile/\$28 minimum.
- 6:00 p.m. 6:00 a.m. Mon-Fri/\$2.55 per mile/\$40 minimum.

Weekends and Holidays:

• \$2.80 per mile/\$56 minimum.